VZCZCXRO5229
RR RUEHBC RUEHDE RUEHKUK RUEHROV
DE RUEHAM #4072 2761051
ZNR UUUUU ZZH
R 031051Z OCT 07
FM AMEMBASSY AMMAN
TO RUEHC/SECSTATE WASHDC 0500
INFO RUEHEE/ARAB LEAGUE COLLECTIVE
RUCPDOC/DEPT OF COMMERCE WASHDC
RHMCSUU/FAA NATIONAL HQ WASHINGTON DC
RUEHSA/AMEMBASSY PRETORIA 0307

UNCLAS AMMAN 004072

SIPDIS

SIPDIS SENSITIVE

STATE FOR NEA/ELA and EEB/TRA

E.O. 12958: N/A

TAGS: EAIR ECON EINV KPRV JO

SUBJECT: DELTA AIR LINES ANNOUNCES PLANS FOR DIRECT FLIGHTS TO AMMAN IN COMPETITION WITH ROYAL JORDANIAN

REF: A) CAIRO 2904

- B) PRETORIA 3431
- C) AMMAN 3286
- D) AMMAN 75
- 11. (U) Summary: Delta Air Lines recently announced it plans to operate direct service between Amman's Queen Alia International Airport (QAIA) and New York's John F. Kennedy (JFK) Airport beginning June 2008. This will be the only non-stop service to the United States operated by a U.S. carrier. National carrier Royal Jordanian Airlines (RJ) is currently the sole provider of non-stop service between Jordan and North America as a code share with US Airways. Officials at RJ said that expansion at Amman's airport will not significantly increase their flights, and that they will rely on their marketing alliances and their regional connections to stay competitive. End Summary.
- 12. (U) Delta Air Lines announced on September 26 it plans to operate direct service between Amman's QAIA and New York's JFK Airport in June 2008. Maher Al-Twal, Delta Sales Manager in Amman, said that he had been lobbying for this flight for 20 years, and that finally there was a business case for it. Minister of Tourism Osama Dabbas told EconOffs on October 2 that he expected this flight will serve both tourists and business travelers.
- 13. (U) This flight will be the only non-stop service to the United States from Jordan operated by a U.S. carrier. Al-Twal speculated that arrival times at JFK could be subject to change to better match connecting flight times. Delta will also provide services to freight forwarders and cargo shippers. Delta currently provides service to the Middle East in Dubai, and will add non-stop flights to Cairo, Tel Aviv, and Cape Town in 2008 (Refs A, B).
- 14. (SBU) National carrier RJ Airlines is currently the only carrier offering non-stop service between Jordan and North America with direct flights to New York, Chicago and Detroit, which are code shares with US Airways. RJ Manager of Customer Satisfaction Measurement Hisham Salaitah, told EconOff on September 25 that in 2007, approximately 12.6% of RJ passengers were North American, a two percent increase over 2006 figures.
- 15. (SBU) Delta's entry into the market follows the privatization of RJ and expansion of QAIA, and coincides with plans to attract more tourists and foreign investment to Jordan. Christine Fisher, RJ Director of Inflight Services, told EconOff what happens after privatization "is the \$64,000 question," especially since privatization is happening at the same time as expansion of QAIA, Amman's main airport (Ref C). Iman Rihani, Director of Public Relations at RJ, said privatization will not change RJ's service. She added that RJ does not expect to dramatically increase the number of flights with the airport expansion, because it currently has a large percentage of QAIA's space. She said, however, that the

Boeing 787s on order will increase the supply of seats to North America (Ref D). Rana Sam'an, Senior PR Officer at RJ, said that in response to increased competition at QAIA, RJ hopes its oneworld, SkyTeam, and Star Alliance memberships will help it maintain market share. Rihani also said that RJ is focused on being a regional hub, and benefits from expatriate travelers from the U.S. transiting Amman en route to Beirut and Damascus, which have no direct service to the U.S.

Visit Amman's Classified Website at http://www.state.sgov.gov/p/nea/amman

HALE